

Senate Bill No. 929

Passed the Senate September 13, 2001

Secretary of the Senate

Passed the Assembly September 10, 2001

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day of
_____, 2001, at _____ o'clock __M.

Private Secretary of the Governor

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CHAPTER _____

An act to amend Sections 7139, 7139.1, 7139.2, 7139.3, 7139.4, 7139.5, 7139.8, and 7139.9 of, and to amend the heading of Article 8.5 (commencing with Section 7139) of Chapter 9 of Division 3 of, the Business and Professions Code, relating to contractors.

LEGISLATIVE COUNSEL'S DIGEST

SB 929, Machado. Contractors.

Existing law, the Contractors' State License Law, provides that the Contractors' State License Board in the Department of Consumer Affairs is responsible for the licensing and regulation of contractors. The board is responsible for promulgating regulations assessing civil penalties for violations of this law. Existing law requires fees and penalties collected pursuant to this law to be deposited in the Contractors' License Fund. The Construction Management Education Account is an account in the Contractors' License Fund that contains funds used to promote construction management education.

This bill would change the name of the Construction Management Education Account to the "Construction Education Account," and would make funds in the account available for construction education programs upon appropriation by the Legislature. The bill would authorize the board to transfer specified revenue from the Contractors License Fund to the Construction Education Account on an annual basis.

The people of the State of California do enact as follows:

SECTION 1. The heading of Article 8.5 (commencing with Section 7139) of Chapter 9 of Division 3 of the Business and Professions Code is amended to read:

Article 8.5. The Construction Education Sponsorship Act

SEC. 2. Section 7139 of the Business and Professions Code is amended to read:

7139. This article shall be known as the Construction Education Sponsorship Act.



SEC. 3. Section 7139.1 of the Business and Professions Code is amended to read:

7139.1. The Legislature hereby finds and declares all of the following:

(a) There is a demand and increasing need for construction education programs and resources within the postsecondary education system that prepare graduates for construction operations and companies regulated by the Contractors' State License Law and enforced by the Contractors' State License Board.

(b) Although construction education programs do exist within the state university system, these programs are woefully underfunded and insufficiently funded to provide training on state-of-the-art information systems for either graduates or extension programs for continuing education of licensed contractors. Construction industry associations have provided some assistance through direct grants and scholarships, but the industrywide service of these programs and the need for additional assistance mandates broad based industrywide support.

(c) It is the intent of the Legislature that by enabling contractors to designate a portion of their licensure fee and by providing a format for contractors to contribute funds to construction education, this article will receive broad based industry support. In addition, this article allows the contractor to demonstrate the importance of construction education. This assistance will enable greater development of construction education curricula and will improve the overall quality of construction by providing construction training to California licensed contractors and their current and future personnel.

SEC. 4. Section 7139.2 of the Business and Professions Code is amended to read:

7139.2. (a) There is hereby created the Construction Education Account (CEA) as a separate account in the Contractors' License Fund for the purposes of construction education. Funds in the account shall be available for the purposes of this article upon appropriation by the Legislature. Any reference in any law to the Construction Management Education Account shall be deemed a reference to the Construction Education Account.



(b) The Contractors' State License Board shall allow a contractor to contribute twenty-five dollars (\$25) or more to the Construction Education Account at the time of the contractor license fee payment. The license fee form shall clearly display this alternative on its face and shall clearly inform the licensee that this provision is a contribution to the Construction Education Account and is in addition to the fees.

(c) The board may accept grants from federal, state, or local public agencies, or from private foundations or individuals, in order to assist it in carrying out its duties, functions, and powers under this article. Grant moneys shall be deposited into the Construction Education Account.

(d) On an annual basis the board may transfer up to one percent of revenues accruing to the Contractors' License Fund in the previous fiscal year to the Construction Education Account for purposes of promoting education in the construction industry.

SEC. 5. Section 7139.3 of the Business and Professions Code is amended to read:

7139.3. (a) The board may award grants to qualified public postsecondary educational institutions for the support of courses of study in construction education.

(b) Any organization of contractors, or organization of contractor organizations, incorporated under Division 2 (commencing with Section 5000) of the Corporations Code may request the board to award grants pursuant to subdivision (a) directly to qualified public postsecondary educational institutions of its choice. However, the total amount of money that may be awarded to one public postsecondary educational institution pursuant to subdivision (a) may not exceed an amount equal to 25 percent of the total funds available each year under this article.

(c) The board shall establish an advisory committee to recommend grant awards. The advisory committee shall be known as the Construction Education Account Advisory Committee and shall consist of 11 members, with at least one representative from each of the following: Associated General Contractors of California, Associated Builders and Contractors, California Building Industry Association, National Electrical Contractors Association, Plumbing-Heating-Cooling Contractor's Association, Southern California Contractor's Association, Associated General Contractors of San Diego, Engineering and



Utility Contractors Association, Engineering Contractors Association, California Sheet Metal and Air Conditioning Contractor's Association, and one member representing the California State University and University of California construction management programs accredited by the American Council for Construction Education. Advisory committee member terms shall be for three years and the representatives shall be appointed by each identified group. Members of the advisory committee shall not receive per diem or reimbursement for traveling and other expenses pursuant to Section 103.

(d) The mission of the Construction Education Account Advisory Committee is to maintain, and increase the quality and availability of, education programs for the construction industry. The primary focus is to provide financial resources not presently available to accredited construction education programs in California colleges and universities to maintain and upgrade facilities and provide greater access by the industry to modern construction standards and management practices. The advisory committee shall do all of the following:

- (1) Confirm the qualifications of programs applying for grants.
- (2) Award less than full grants when the account has insufficient funds to award full grants to all qualifying programs.
- (3) Receive and review year-end reports of use and impact of funds.
- (4) Affirm applications for American Council for Construction Education accreditation and, when funds are available, award grants to complete the accreditation process.
- (5) Promote close ties between feeder junior colleges and four-year construction education programs.
- (6) Support development of new educational programs with specific emphasis on outreach to the construction industry at large.

SEC. 6. Section 7139.4 of the Business and Professions Code is amended to read:

7139.4. Qualified public postsecondary educational institutions shall provide postsecondary construction education programs at the baccalaureate or higher level that either award or provide one of the following:

- (a) A bachelor of science construction management degree accredited by the American Council for Construction Education.



(b) A degree with an American Council for Construction Education accredited option, including, but not limited to, engineering technology and industrial technology.

(c) A bachelor of science or higher degree program documenting placement of more than 50 percent of their graduates with California licensed contractors. The placement of a person who holds a master or doctorate degree in the faculty of a construction program shall be counted as though placed with a California licensed contractor.

(d) The development of a construction education curriculum to meet the American Council for Construction Education criteria.

SEC. 7. Section 7139.5 of the Business and Professions Code is amended to read:

7139.5. Depending on the fund balance, grants shall be made pursuant to this article to public postsecondary educational institutions that meet the qualifications specified in Section 7139.4 in the following amounts:

(a) Up to three thousand dollars (\$3,000) per graduate during the past academic year for institutions qualifying under subdivision (a) of Section 7139.4.

(b) Up to three thousand dollars (\$3,000) per graduate during the past academic year for institutions qualifying under subdivision (b) of Section 7139.4.

(c) Up to three thousand dollars (\$3,000) per graduate placed with California licensed contractors during the past academic year for institutions qualifying under subdivision (c) of Section 7139.4. These funds shall be used for the purpose of becoming accredited by the American Council for Construction Education and shall be available for up to three years. The board may continue to provide this grant to an institution that in its judgment is meeting the intent of this act and is continuing its development towards accreditation.

(d) Institutions qualifying under subdivision (d) of Section 7139.4 may receive a grant in an amount up to twenty-five thousand dollars (\$25,000) per year for up to two years. Thereafter, these institutions may receive grants based upon the criteria described in subdivisions (a) to (c), inclusive. The board may continue to award a grant to an institution that in its judgment is meeting the intent of this article and is continuing its development towards accreditation.



SEC. 8. Section 7139.8 of the Business and Professions Code is amended to read:

7139.8. The president of each public postsecondary educational institution receiving a grant under this article shall submit, with its respective request for a grant each year following the initial year for which grants are issued, a report to the board delineating the amount of the past grant awarded from the Construction Education Account to that institution and the utilization of those funds. The report shall include, but not be limited to, the following:

- (a) The number of graduates placed with the California licensed contractors during the previous academic year.
- (b) The expected enrollment in construction education courses in the upcoming academic year.
- (c) Continuing education and extension courses offered during the previous academic year and their enrollments.

SEC. 9. Section 7139.9 of the Business and Professions Code is amended to read:

7139.9. The board may allocate up to fifteen thousand dollars (\$15,000) per year from the Construction Education Account for the administration of this article.



Approved _____, 2001

Governor

